

103D CONGRESS  
1ST SESSION

# H. R. 3006

To provide for the imposition of sanctions against any foreign country or any person that violates United Nations sanctions.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 1993

Mr. STARK (for himself, Mr. FRANK of Massachusetts, Mr. McNULTY, Ms. KAPTUR, Mr. FALCONE, Mr. JACOBS, Mr. HUGHES, Mr. OLVER, Mr. SANDERS, and Mr. ENGEL) introduced the following bill; which was referred jointly to the Committees on Foreign Affairs, Ways and Means, and Banking, Finance and Urban Affairs

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## A BILL

To provide for the imposition of sanctions against any foreign country or any person that violates United Nations sanctions.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

### 3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “United Nations Secu-  
5 rity Council Sanctions Enforcement Act”.

### 6 **SEC. 2. COUNTRIES VIOLATING UNITED NATIONS SANC-** 7 **TIONS.**

8 (a) DETERMINATION.—

1           (1) IMPOSITION OF SANCTIONS.—If the Presi-  
2           dent determines that the government of any foreign  
3           country is materially violating United Nations sanc-  
4           tions, the President shall impose the sanctions de-  
5           scribed in subsection (b) with respect to that country  
6           so long as such violation continues, except as other-  
7           wise provided in subsection (c)(2) and subsection  
8           (d).

9           (2) PUBLICATION OF DETERMINATION.—Any  
10          determination under this subsection shall be pub-  
11          lished in the Federal Register.

12          (b) SANCTIONS.—The sanctions to be imposed with  
13          respect to a country pursuant to subsection (a) are as fol-  
14          lows:

15               (1) FOREIGN ASSISTANCE.—The United States  
16               Government shall terminate assistance to that coun-  
17               try under the Foreign Assistance Act of 1961, ex-  
18               cept for assistance involving the provision of food  
19               and other humanitarian assistance.

20               (2) MILITARY ASSISTANCE.—The United States  
21               Government shall terminate all foreign military fi-  
22               nancing for that country under the Arms Export  
23               Control Act.

24               (3) ARMS SALES.—The United States Govern-  
25               ment shall terminate—

1 (A) sales to that country under the Arms  
2 Export Control Act of any defense article, de-  
3 fense service, or design and construction serv-  
4 ice, and

5 (B) licenses for the export to that country  
6 of any item on the United States Munitions  
7 List.

8 (4) MULTILATERAL ASSISTANCE.—The United  
9 States Government shall oppose the extension by any  
10 international financial institution of any loan or  
11 other financial or technical assistance to that coun-  
12 try, except for assistance directed specifically to pro-  
13 grams which serve the basic human needs of the  
14 people of that country.

15 (5) FINANCIAL ASSISTANCE.—The United  
16 States Government shall deny to that country any  
17 credit, credit guarantee, or other financial assistance  
18 by any department, agency, or instrumentality of the  
19 Government, except that this paragraph does not  
20 apply to—

21 (A) food or other humanitarian assistance,  
22 or

23 (B) any transaction subject to the report-  
24 ing requirements of title V of the National Se-

1 curity Act of 1947 (relating to congressional  
2 oversight of intelligence activities).

3 (6) COMMERCIAL CREDIT.—The United States  
4 Government shall prohibit any United States deposi-  
5 tory institution (as defined in section 19(b) of the  
6 Federal Reserve Act) from making any loan or pro-  
7 viding any credit to the government of that country,  
8 except for loans or credits for the purpose of pur-  
9 chasing food or other humanitarian items.

10 (7) EXPORTS.—The United States Government  
11 shall prohibit exports to that country of such goods  
12 and technology as the President may specify, except  
13 that—

14 (A) section 6(g) of the Export Administra-  
15 tion Act of 1979 applies with respect to export  
16 controls pursuant to this paragraph, and

17 (B) any prohibition under this paragraph  
18 shall not apply with respect to any transaction  
19 subject to the reporting requirements of title V  
20 of the National Security Act of 1947 (relating  
21 to congressional oversight of intelligence activi-  
22 ties).

23 (8) IMPORTS.—The United States Government  
24 shall prohibit the entry into the customs territory of  
25 the United States of such articles as the President

1       may specify that are growth, product, or manufac-  
2       ture of that country.

3       (c) CONSULTATION WITH AND ACTIONS BY FOREIGN  
4       GOVERNMENT.—

5               (1) CONSULTATIONS.—If the President makes a  
6       determination described in subsection (a) with re-  
7       spect to the government of a foreign country, the  
8       Congress urges the President to initiate consulta-  
9       tions immediately with that government to encour-  
10      age it to comply with the United Nations sanctions  
11      with respect to which that determination was made.

12             (2) ACTIONS BY A FOREIGN GOVERNMENT.—In  
13      order to pursue such consultations, the President  
14      may delay imposition of sanctions pursuant to this  
15      section for up to 30 days. Following these consulta-  
16      tions, the President shall impose sanctions unless  
17      the President determines and certifies to the Con-  
18      gress that that government has taken specific and  
19      effective actions to comply with the United Nations  
20      sanctions with respect to which the President made  
21      the determination under subsection (a). If the Presi-  
22      dent determines and certifies to the Congress that  
23      that government is in the process of taking such ac-  
24      tions, the President may delay the imposition of  
25      sanctions for up to an additional 30 days.

1           (3) REPORT TO CONGRESS.—Not later than 30  
2       days after making a determination with respect to  
3       the government of a foreign country under sub-  
4       section (a), the President shall submit to the Con-  
5       gress a report on the status of consultations pursu-  
6       ant to this subsection and on the basis for any de-  
7       termination under paragraph (2) of this subsection  
8       that such government has taken specific corrective  
9       actions.

10       (d) WAIVER.—A sanction which is required to be im-  
11      posed against a country under subsection (b) shall not  
12      apply if the President determines and certifies to the Con-  
13      gress that the application of that sanction against such  
14      country would have a serious adverse effect on vital United  
15      States interests. The President shall transmit with such  
16      certification a statement setting forth the specific reasons  
17      for the President's determination.

18   **SEC. 3. PERSONS VIOLATING UNITED NATIONS SANCTIONS.**

19       (a) DETERMINATION.—

20           (1) IMPOSITION OF SANCTIONS.—If the Presi-  
21      dent determines that a person is materially violating  
22      United Nations sanctions, the President shall impose  
23      the sanctions described in subsection (c) on each  
24      sanctioned person for a period of 2 years, except as

1 otherwise provided in subsection (d)(2) and sub-  
2 section (e).

3 (2) PUBLICATION OF DETERMINATION.—Any  
4 determination under this subsection shall be pub-  
5 lished in the Federal Register.

6 (b) ADVISORY OPINIONS.—Upon the request of any  
7 person, the President may issue a written advisory opinion  
8 to that person as to whether a proposed activity by that  
9 person would subject that person to sanctions under this  
10 section. Any person who relies in good faith on such an  
11 advisory opinion which states that the proposed activity  
12 would not subject a person to such sanctions, and any per-  
13 son who thereafter engages in such activity, shall not be  
14 made subject to such sanctions solely on account of such  
15 activity.

16 (c) SANCTIONS.—

17 (1) IN GENERAL.—The sanctions to be imposed  
18 pursuant to subsection (a) are as follows:

19 (A) The United States Government shall  
20 not procure, or enter into any contract for the  
21 procurement of, any goods or services from a  
22 sanctioned person.

23 (B) The United States Government shall  
24 not issue any license for any export by or to a  
25 sanctioned person.

1 (C) The United States Government shall  
2 prohibit the entry into the customs territory of  
3 the United States of all articles that are  
4 growth, product, or manufacture of a sanc-  
5 tioned person.

6 (2) EXCEPTIONS.—The President shall not be  
7 required to apply or maintain sanctions under this  
8 section with respect to the following:

9 (A) Procurement or importation of defense  
10 articles or defense services—

11 (i) if the procurement or importation  
12 is under an existing contract or sub-  
13 contract, including the exercise of options  
14 for production quantities to satisfy require-  
15 ments essential to the national security of  
16 the United States;

17 (ii) if the President determines that  
18 the sanctioned person is a sole source sup-  
19 plier of such articles or services, that such  
20 articles or services are essential, and that  
21 alternative sources are not readily or rea-  
22 sonably available; or

23 (iii) if the President determines that  
24 such articles or services are essential to the



1           national    security    under    defense  
2           coproduction agreements.

3           (B) Procurement or importation of spare  
4           parts or component parts (but not finished  
5           products) which are essential to United States  
6           products or production.

7           (C) Procurement of routine servicing and  
8           maintenance of products, to the extent that al-  
9           ternative sources are not readily or reasonably  
10          available.

11          (D) Procurement of, or importation of arti-  
12          cles containing, information and technology es-  
13          sential to United States products or production.

14          (E) Procurement, exports, or imports of  
15          products or services provided under contracts  
16          entered into before the date on which the Presi-  
17          dent's determination is published in the Federal  
18          Register pursuant to subsection (a)(2).

19          (F) Procurement, exports, or imports of  
20          food or other humanitarian items.

21          (d) CONSULTATION WITH AND ACTIONS BY FOREIGN  
22          GOVERNMENT OF JURISDICTION.—

23               (1) CONSULTATIONS.—If the President makes a  
24          determination described in subsection (a) with re-  
25          spect to a foreign person, the Congress urges the

1 President to initiate consultations immediately with  
2 the government with primary jurisdiction over that  
3 foreign person with respect to the imposition of  
4 sanctions pursuant to this section.

5 (2) ACTIONS BY GOVERNMENT OF JURISDIC-  
6 TION.—In order to pursue such consultations with  
7 that government, the President may delay imposition  
8 of sanctions pursuant to this section for up to 90  
9 days. Following these consultations, the President  
10 shall impose sanctions unless the President deter-  
11 mines and certifies to the Congress that that govern-  
12 ment has taken specific and effective actions, includ-  
13 ing appropriate penalties, to terminate the involve-  
14 ment of the foreign person in the violations de-  
15 scribed in subsection (a). If the President deter-  
16 mines and certifies to the Congress that that govern-  
17 ment is in the process of taking such actions, the  
18 President may delay the imposition of sanctions for  
19 up to an additional 90 days.

20 (3) REPORT TO CONGRESS.—Not later than 90  
21 days after making a determination under subsection  
22 (a), the President shall submit to the Congress a re-  
23 port on the status of consultations with the appro-  
24 priate government under this subsection and on the  
25 basis for any determination under paragraph (2) of

1 this subsection that such government has taken spe-  
2 cific corrective actions.

3 (e) WAIVER.—

4 (1) CRITERION FOR WAIVER.—After the end of  
5 the 12-month period beginning on the date on which  
6 a sanction is imposed on a sanctioned person under  
7 this section, the President may waive the application  
8 of that sanction with respect to that person if the  
9 President determines and certifies to the Congress  
10 that the continued imposition of that sanction with  
11 respect to that person would have a serious adverse  
12 effect on vital United States interests.

13 (2) NOTIFICATION OF AND REPORT TO CON-  
14 GRESS.—If the President decides to exercise the  
15 waiver authority provided in paragraph (1), the  
16 President shall so notify the Congress not less than  
17 30 days before the waiver takes effect. Such notifica-  
18 tion shall include a report fully articulating the ra-  
19 tionale and circumstances which led the President to  
20 exercise the waiver authority.

21 **SEC. 4. DEFINITIONS.**

22 For purposes of this Act, the following definitions  
23 apply:

24 (1) SANCTIONED PERSON.—The term “sanc-  
25 tioned person” means—

1 (A) the person with respect to which the  
2 President makes the determination described in  
3 section 3(a);

4 (B) any successor entity to that person;

5 (C) any person that is a parent or subsidi-  
6 ary of that person if that parent or subsidiary  
7 materially and with requisite knowledge assisted  
8 in the activities which were the basis of that de-  
9 termination; and

10 (D) any person that is an affiliate of that  
11 person if that affiliate materially and with req-  
12 uisite knowledge assisted in the activities which  
13 were the basis of that determination and if that  
14 affiliate is controlled in fact by that person.

15 (2) UNITED NATIONS SANCTIONS.—The term  
16 “United Nations sanctions” means measures that  
17 members of the United Nations have been called  
18 upon to apply by the United Nations Security Coun-  
19 cil, acting under article 41 of the Charter of the  
20 United Nations, in order to enforce decisions of the  
21 Security Council.

22 (3) VIOLATING UNITED NATIONS SANCTIONS.—  
23 The term “violating United Nations sanctions”—

24 (A) in the case of the government of a for-  
25 eign country, means failing to apply measures

1 called for by the United Nations Security Coun-  
2 cil; and

3 (B) in the case of person, means engaging  
4 in activities that are prohibited under United  
5 Nations sanctions, without regard to whether  
6 the foreign government with primary jurisdic-  
7 tion over those activities has applied the meas-  
8 ures called for by the United Nations Security  
9 Council.

10 **SEC. 5. EFFECTIVE DATE.**

11 This Act applies with respect to violations of United  
12 Nations sanctions that occur on or after the date of enact-  
13 ment of this Act.

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